

MINERALS MANAGEMENT SERVICE  
OCS RENEWABLE ENERGY AND ALTERNATIVE  
USE PROGRAMMATIC EIS

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PUBLIC SCOPING MEETING

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June 6, 2006

Holiday Inn  
1441 N.E. Second Avenue  
Belmont Suites A & B  
Portland, Oregon

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PANEL MEMBERS

MAUREEN BORNHOLDT  
Program Manager, Renewable  
Energy and Alternate Use,  
Minerals Management Service

MIKE ROBINSON  
National Renewable  
Energy Laboratory

LYNNETTE VESTO  
Minerals Management Service  
MAURICE HILL  
Minerals Management Service

BOB MOORE, Facilitator  
Argonne National Laboratory

## P-R-O-C-E-E-D-I-N-G-S

## SCOPING COMMENTS

BOB MOORE: Okay. Four people have signed up to speak, and I'm going to call them in the order in which they signed up. When they're finished, if anyone else would like to speak, just let me know, and we'll call you up.

The first person is Norman Turrill. Please state your name, the organization that you represent, and provide us with your comments, and if you have a record copy to leave with us, we would appreciate it. Anything you would like to leave for the record is welcome.

MR. TURRILL: Ladies and gentlemen, I am Norman Turrill. I'm speaking on behalf of the League of Women Voters of Oregon. The League is a grass roots nonpartisan political organization which encourages the informed and active participation of citizens in government. We work to influence public policy through education and advocacy.

Thank you for this opportunity to present our views on behalf of all our members and supporters. Our testimony comes from our Offshore and Coastal Management Position, which can be interpreted to apply in this case.

1                   And I want to comment here that the League  
2                   does studies at some length on subjects before it  
3                   takes any position and then bases its actions on  
4                   those positions over a long term, and this  
5                   particular position was written in the 1990s and  
6                   actually came out of the environment of concerns  
7                   around oil, gas, and other mineral development, and  
8                   so you'll see references to those developments in  
9                   our position.

10                  However, all of these can also be applied  
11                  to renewable and alternative resource developments.  
12                  And since I know I only have three minutes, I'm not  
13                  going to read the whole thing but just selected  
14                  parts.

15                  The position states in part that the  
16                  ecological integrity, renewable natural resources,  
17                  and beneficial uses of Oregon's ocean waters must be  
18                  protected. The League of Women Voters calls on the  
19                  federal government to ban the exploration and  
20                  development of marine minerals within the U.S.  
21                  Exclusive Economic Zone off the Oregon coast.

22                  Should a ban not be effected, the  
23                  following must be required:

24                  1. An unbiased, credible scientific EIS  
25                  should be required prior to any offshore mineral

1 exploration or recovery operation.

2 2. Offshore mineral activities should be  
3 evaluated for degradation of the marine environment,  
4 risk to ocean fisheries, and coastal erosion  
5 problems.

6 3. A complete socioeconomic impact  
7 statement of offshore development's effect on the  
8 state's and coastal economy should be made.

9 The League supports a strong environmental  
10 and natural resource conservation policy giving  
11 clear priority to long-term renewable resource uses.  
12 The Oregon League believes responsible and  
13 responsive government management of the public's  
14 offshore natural resources shall be based upon:

15 1. A complete environmental assessment,  
16 cumulative impact analysis, and baseline data  
17 specific to Oregon.

18 2. Recognition of coastal states' and  
19 local governments' rights, jurisdictions, and  
20 responsibilities to preserve and protect marine and  
21 coastal environment and economy. Federal  
22 government's offshore activities must be consistent  
23 with Oregon's approved Coastal Zone Management Plan.

24 The Oregon League affirms the public's  
25 right to be completely informed and actively

1 involved and assured the opportunity to participate  
2 in decisions about offshore exploration and  
3 development, as well as onshore facilities that  
4 support offshore development.

5 The Oregon League endorses adequate  
6 industry-financed oil spill contingency funds,  
7 compensation funds, and company bonding for marine  
8 mineral mining activities to cover claims for damage  
9 caused by their operations, onshore support  
10 facilities, and transporting vessels. Governments  
11 and other claimants should be reimbursed for, but  
12 not limited to, the following:

- 13 1. Oil spill cleanup costs.
- 14 2. Loss of natural resources or loss of  
15 use of natural resources.
- 16 3. Impairment of earning capacity.
- 17 4. Damage to real or personal property  
18 and personal injury.

19 And that's the end of our position, and I  
20 wanted to add that clearly, from our position above,  
21 the League believes in and favors the development  
22 of renewable energy resources. Even though our  
23 position often speaks to offshore oil and mineral  
24 resource development, by extension, it should be  
25 clear that we also believe in the same kinds of

1           protections for the marine environment in the  
2           development of renewable energy and other natural  
3           resources.

4                     Thank you very much. Are there any  
5           questions?

6                     MR. MOORE: Thank you. The next speaker  
7           is Elizabeth Ellis.

8                     MS. ELLIS: Can everybody hear me all  
9           right? My name is Elizabeth Ellis, and I'm here on  
10          behalf of a few agencies: the Governor's Office of  
11          Regulatory Assistance of Washington State;  
12          Washington State Department of Ecology, the  
13          Hydropower and Water Quality Program; Washington  
14          State Department of Community, Trade and Economic  
15          Development, the Energy Policy Division; and  
16          Washington State Department of Natural Resources.

17                    On behalf of the listed agencies and other  
18          interested parties not listed above, please accept  
19          the following information with regards to the  
20          development of the Program and Rule for the National  
21          Offshore Alternate Energy Related Use (AERU), as  
22          authorized under the Energy Policy Act; and since I  
23          only have three minutes, I'm going to give a few  
24          paragraphs.

25                    The following comments are from Chris

1 Maynard. He is with the Hydropower and Water  
2 Quality Program, Washington State Department of  
3 Ecology, and Chris states:

4 Washington State Department of Ecology  
5 regulates projects that require federal approval  
6 that may affect water quality. Any proposal like  
7 this within State waters will require a 401 water  
8 quality certification from the Department of  
9 Ecology. Water quality includes effects on the  
10 physical or chemical characteristics of the water  
11 and also can include recreation, aesthetics,  
12 hydrology, and habitat. The EIS should thoroughly  
13 investigate these effects and include mitigation to  
14 reduce these effects to meet Washington State water  
15 quality standards and other applicable state laws.  
16 Washington State Department of Ecology will be  
17 sending you written comments on this EIS.

18 The next set of comments are from Tim  
19 Stearns, senior energy policy specialist with the  
20 Washington Department of Community, Trade, and  
21 Economic Development in Seattle, and Tim states:

22 The Washington State Department of  
23 Community, Trade, and Economic Development  
24 encourages the Department of Interior to develop a  
25 positive framework under which to manage and permit

1 offshore alternative energy projects. This  
2 framework would ensure that the state of  
3 Washington's interests are well represented. CTED  
4 supports viable economic opportunities that can be  
5 taken advantage of in a sustainable and  
6 environmentally sound manner.

7 And finally, the Washington State  
8 Department of Natural Resources:

9 The Washington State Department of Natural  
10 Resources is an agency of the State of Washington  
11 created to manage the public trust lands and aquatic  
12 lands, including tidelands, shorelands, lakes and  
13 rivers, and the beds of navigable salt and fresh  
14 waters. DNR manages these lands under specific  
15 legislative direction, pursuant to statutory  
16 authority granted under state law, in order to  
17 benefit the public.

18 Territorial uplands are managed for the  
19 benefit of established trusts that support schools,  
20 colleges, counties, and other institutions. Aquatic  
21 lands are managed to encourage public use and  
22 access, foster water-dependent uses, ensure  
23 environmental protection, and utilize their  
24 renewable resources, generating the revenue in a  
25 manner that is consistent with these goals.

1                   DNR also must adhere to recent agreements  
2                   that establish specific requirements for the  
3                   protection of threatened and endangered species  
4                   under the federal Endangered Species Act and  
5                   compliance with provisions of the federal Clean  
6                   Water Act. These agreements include two Habitat  
7                   Conservation Plans (HCP) approved by the U.S. Fish  
8                   and Wildlife Service and the National Marine  
9                   Fisheries Service in 1997 and again this year and  
10                  the Forests and Fish Agreement passed by the  
11                  Washington State Legislature and signed by Governor  
12                  Gary Locke in 1999. Furthermore, an HCP is being  
13                  developed for DNR's aquatic lands, and a comment  
14                  period is currently open. While DNR is a  
15                  proprietary agency, not a regulatory agency, the  
16                  management goals must remain consistent with the  
17                  requirements of other regulatory agencies, such as  
18                  the Shoreline Management Act.

19                 The DNR's participation at this scoping  
20                 meeting and in any future meetings or workshops on  
21                 alternative energy off the Washington coast is one  
22                 of representing the public interest.

23                 Thank you, and the State of Washington  
24                 looks forward to working successfully with the U.S.  
25                 Department of Interior as it moves forward to

1 explore alternative energy resources.

2 MR. MOORE: Thank you very much. The next  
3 speaker is Chandra Brown.

4 MS. BROWN: My name is Chandra Brown, and  
5 I'm here representing two groups. The first is  
6 Oregon Iron Works, a local manufacturing company  
7 that has been contacted by national companies that  
8 are interested specifically in wave energy devices.  
9 Our company has in the past built wind turbines,  
10 nuclear work, marine work, buoys, and we're very  
11 interested in economic development.

12 In addition to that, we are also a member  
13 of the Ocean Renewable Energy Coalition, which is a  
14 nonprofit trade association with the specific  
15 mission of supporting the advancement of all types  
16 of offshore renewable energy, which would include  
17 offshore wind, wave, tidal, solar, and hydrogen, and  
18 we appreciate the ability to do these public  
19 comments. I think it's an excellent method of  
20 giving feedback, which I will give you from the  
21 coalition and the industry standpoint, specifically  
22 regarding your programmatic EIS.

23 One of the things we would like to see is  
24 that the EIS is definitely broadened, and we believe  
25 that a larger emphasis should also be placed

1 specifically on the wave and some of the tidal  
2 issues as well, as we believe that is very close to  
3 commercialization and that there's an opportunity to  
4 push that forward at this point.

5 In addition to broadening your EIS, we  
6 also believe there are technologies that are  
7 available right now. We're being approached by  
8 folks looking at the Oregon coast for wave energy  
9 that are ready to actually invest and put in the  
10 first commercial wave park in the United States. As  
11 you heard before, there already is one off the coast  
12 of Portugal. We'd like the United States to be not  
13 behind as we were with winds and instead push that  
14 forward as United States technology, which is  
15 something that we can do.

16 In terms of that, one of the things we  
17 would suggest is that you do a streamlined process  
18 for demonstration sites. We believe that timing is  
19 a critical issue, and for small-scale demonstration  
20 projects, we don't want to have the same burdensome  
21 regulations that often happen in the large oil and  
22 natural gas and very large programs. We're talking  
23 about small-scale demonstration projects for these  
24 emerging plants, so we would like that to be thought  
25 of as possibly two separate tracks.

1                   Finally, we also believe that fees based  
2                   on production should be designed in a manner that  
3                   does not offset the benefit of production tax  
4                   credits or other benefits. We believe that should  
5                   be taken under consideration.

6                   And finally, we would appreciate that  
7                   there's been authorizing language put in and funds have  
8                   not been appropriated for  
9                   them yet, and we are very much for the appropriation  
10                  as well of federal funds that can move some of these  
11                  projects forward and help in the economic and  
12                  environmental issues that are surrounding these.

13                  I wanted to close with there was a survey  
14                  done in March of 2006 which stated that nearly half  
15                  of all Americans, at least, the ones on the survey,  
16                  were not aware of the vast potential for generating  
17                  electricity. However, when asked if the federal  
18                  government should be funding this, 70 percent voiced  
19                  their support. This is without knowledge of what  
20                  they were.

21                  And then when asked to factor in the ocean  
22                  industry on foreign sources of energy, 81 percent  
23                  said they are supporting an increase in government  
24                  funding, so I definitely believe it's a mandate by  
25                  the public. Thank you very much.

1                   MR. MOORE: Thank you. The next speaker  
2 is Scott McMullen.

3                   MR. McMULLEN: Thank you. Scott McMullen.  
4 I'm chairman of the Oregon Fishermen's Cable  
5 Committee. The Committee has not taken a position,  
6 so I'm here speaking tonight for myself, my own  
7 comments, although I probably would guess that  
8 there's quite a number of commercial fishermen who  
9 would voice these same thoughts if they were here.

10                   My background is as a commercial  
11 fisherman. I've spent over 25 years fishing.  
12 You've probably heard this a number of times before,  
13 but from the fisherman's point of view, the biggest  
14 concern we have is the loss of access to fishing  
15 grounds if you put a wave park or wind generation  
16 facility up, and if that includes the restriction on  
17 fishing in that site, then we're worried about the  
18 displacement.

19                   I don't want you to take this as saying  
20 that the fishing industry is opposed. I think  
21 there's probably certainly a place for this sort of  
22 thing, and certainly, as energy users ourselves, we  
23 recognize the nation needs energy. We just want to  
24 be part of the process to help with having input on  
25 siting.

1                   I notice that Mr. Robinson had mentioned  
2                   about the vast potential of some of these, and  
3                   sometimes, I hear the comments that, like, you know,  
4                   if we just use this potential industry, we could  
5                   power half the United States; and then when I  
6                   started thinking what that really means -- and I  
7                   know he's just trying to give an analogy on the East  
8                   Coast -- that would be no scallop fishing, no  
9                   lobster boats, no tuna fishing in some of those  
10                  areas, so we have to think of what the cost is; so  
11                  we want to make sure there's recognition of the  
12                  potential impact on fishing, but there's also a  
13                  displacement of current stakeholders.

14                 I'd like you to also create this  
15                 programmatic EIS to look at the cumulative effects.  
16                 One wave park in one area may be a fairly small  
17                 impact, but if these continue to do well, start  
18                 being sited all along the coast, the cumulative  
19                 impact could be huge. If we start having  
20                 the whole coastline covered with wave devices or  
21                 windmills, that could impact that huge industry.

22                 The other thing is I think -- and I don't  
23                 mean to discourage any future investment here, but I  
24                 think there has to be the ability to shut down a  
25                 project if the impacts are far greater or more

1           severe than were first anticipated. Certainly,  
2           there's going to be a lot of research and planning  
3           going into these things, and the effects will  
4           probably prove to be well understood, but I think  
5           there ought to be a mechanism so that if the effects  
6           weren't as expected, if there's some detrimental  
7           effect to a certain species, for example, that there  
8           be a way to either shut down or mitigate the impact.

9                     And finally, I want to make a comment that  
10           I think that in any of these new projects coming up,  
11           there needs to be sufficient funding to allow for  
12           removal of the project if the project becomes  
13           defunct. In the case of some of these things, if  
14           they don't stay economically viable long-term, you  
15           have problems with maintenance, and it turns out you  
16           can't support it economically, what happens to the  
17           equipment that's still left in the ocean? There  
18           needs to be provision for that to be moved so that  
19           the current stakeholders can continue to operate  
20           once the project is gone.

21                     Thank you very much.

22                     MR. MOORE: Would anyone else like to  
23           speak? Even though you might not have registered,  
24           you're certainly welcome to, and if you'd like to do  
25           that, hold your hand up and be recognized and step

1 forward and have at it. Nobody knock me down.

2 Do any of the panel have any questions for  
3 any of the speakers? Okay. Anybody else have  
4 anything for the good of the order? Hearing no one,  
5 let me remind you of a couple of things. One is you  
6 have an opportunity to have a look at a version of  
7 our web site over here on the screen. We can fire  
8 that up and cater to anyone who would like to see  
9 it. Let me remind you again that the web site is  
10 posted up here on the wall.

11 And finally, at the end of scoping, a  
12 scoping comment summary report will be prepared, and  
13 that will be posted on the web site as soon as it's  
14 available, along with all the comments that we  
15 received, that sort of thing.

16 So thank you very much for coming, and we  
17 appreciate your input.

18 (The meeting was concluded at 8:20 p.m.)  
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